

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2445 – SB 2495

April 1, 2014

**SUMMARY OF ORIGINAL BILL:** Authorizes the agricultural production of industrial hemp. Defines “industrial hemp” as plants of the genus *Cannabis* that do not contain a delta-9 tetrahydrocannabinol (THC) concentration exceeding 0.3 percent on a dry mass basis, and are grown from seed certified by an approved agency. Removes hemp meeting the proposed definition from current criminal and tax definitions of marijuana. Establishes that the Department of Agriculture will be responsible for oversight of the crop and will have the authority to establish fees and rules related to such oversight.

**CORRECTED FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Revenue – \$12,900/FY14-15  
\$25,700/FY15-16 and Subsequent Years

Increase State Expenditures - \$12,900/FY14-15  
\$25,700/FY15-16 and Subsequent Years

**SUMMARY OF AMENDMENT (015683):** Adds language that would require the Department of Agriculture to initiate promulgation of rules, in accordance with the Uniform Administrative Procedures Act, related to the licensing of agricultural hemp producers within 120 days of the bill becoming law.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the corrected fiscal note.**

Assumption for the bill as amended:

- Based upon information provided by the Department of Agriculture, the time frame required by the amendment will not result in any change in the cost of implementation of the bill.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/cce